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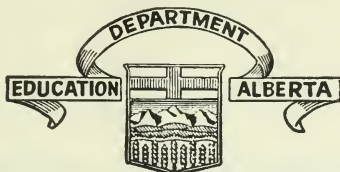
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Classroom  
Bulletin on  
Social St.

No. 15



# Classroom Bulletin

on

## Social Studies

This bulletin has been prepared for students and teachers of social studies in the high school, more particularly for the Social Studies 3 course.

Printed by A. Shnitka, King's Printer  
Edmonton, 1948

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## **PROMINENT POLITICAL LEADERS IN CANADA FEDERAL CABINET MINISTERS**

- Rt. Hon. W. L. Mackenzie King, C.M.G., Prime Minister, President of the Privy Council.
- Hon. Milton F. Gregg, V.C., Minister of Veterans' Affairs.
- Hon. J. L. Ilsley, K.C., Minister of Justice.
- Hon. C. D. Howe, Minister of Reconstruction and Supply.
- Hon. J. G. Gardiner, Minister of Agriculture.
- Hon. C. D. Howe, Minister of Trade and Commerce.
- Hon. Colin Gibson, M.C., K.C., V.D., Secretary of State.
- Hon. L. S. St. Laurent, K.C., Secretary of State for External Affairs.
- Hon. Humphrey Mitchell, Minister of Labour.
- Hon. Alphonse Fournier, K.C., Minister of Public Works.
- Hon. Ernest Bertrand, K.C., Postmaster General.
- Hon. Brooke Claxton, K.C., Minister of National Defence.
- Hon. J. A. McKinnon, Minister of Mines and Resources.
- Hon. Joseph Jean, K.C., Solicitor General of Canada.
- Hon. Lionel Chevrier, K.C., Minister of Transport.
- Hon. P. J. J. Martin, K.C., Minister of Health and Welfare.
- Hon. Douglas C. Abbott, K.C., Minister of Finance.
- Hon. J. J. McCann, M.D., Minister of National Revenue.
- Hon. R. W. Mayhew, Minister of Fisheries.
- Hon. W. McL. Robertson, a member of the Administration and Minister without Portfolio.

## **CABINET MINISTERS FOR PROVINCE OF ALBERTA**

- Hon. E. C. Manning, Premier and Provincial Treasurer.
- Hon. D. Ure, Minister of Agriculture.
- Hon. Lucien Maynard, Attorney General.
- Hon. A. J. Hooke, Minister of Economic Affairs.
- Hon. Ivan Casey, Minister of Education.
- Hon. W. W. Cross, M.D., Minister of Health and Minister of Public Welfare.
- Hon. N. E. Tanner, Minister of Lands and Mines.
- Hon. C. E. Gerhart, Minister of Municipal Affairs and Provincial Secretary.
- Hon. D. B. MacMillan, Minister of Public works and Minister of Railways and Telephones.
- Hon. J. L. Robinson, D.C., Minister of Industry and Labour.

## PROVINCIAL PREMIERS AND GOVERNMENTS

### PRINCE EDWARD ISLAND:

J. Walter Jones—Liberal Government.

### NOVA SCOTIA:

Angus L. MacDonald—Liberal Government.

### NEW BRUNSWICK:

J. B. McNair—Liberal Government.

### QUEBEC:

Maurice L. Duplessis—Union National Government.

### ONTARIO:

George A. Drew—Progressive Conservative Government.

### MANITOBA:

S. S. Garson—Coalition Government (Liberal-Progressives, Progressive Conservatives, Independent, Social Credit).

### SASKATCHEWAN:

T. C. Douglas—Co-operative Commonwealth Federation Government.

### ALBERTA:

Ernest C. Manning—Social Credit Government.

### BRITISH COLUMBIA:

Byron Johnson—Coalition Government (Liberals and Conservatives).



## PROMINENT POLITICAL LEADERS IN OTHER COUNTRIES

### UNITED KINGDOM:

Prime Minister ..... Clement Attlee  
Foreign Minister ..... Ernest Bevin

### U. S. A.:

President ..... Harry S. Truman  
Secretary of State ..... George C. Marshall

### U. S. S. R.:

President ..... Joseph Stalin  
Foreign Minister ..... V. M. Molotov

### FRANCE:

President ..... Vincent Auriol  
Premier ..... Andre Marie  
Foreign Minister ..... Robert Schuman

### CHINA:

President ..... Chiang Kai-Shek  
Premier ..... Chang Chun  
Foreign Minister ..... Wang Shih-chieh

### ARGENTINA:

President ..... Juan D. Peron  
Foreign Minister ..... Juan Atilio Bramuglia

### AUSTRALIA:

Premier ..... J. B. Chifley  
Foreign Minister ..... Herbert V. Evatt

### BELGIUM:

Premier ..... Paul Henri Spaak

### CZECHOSLOVAKIA:

President ..... Klement Gottwald

### DENMARK:

Premier ..... Knud Kristensen  
Foreign Minister ..... Gustav Rasmussen

### EGYPT:

Premier and Foreign Minister ..... Nokrashy Pasha

**EIRE:**

Premier ..... J. A. Costello

**GREECE:**

Premier ..... Demetrios Maximos  
Foreign Minister ..... Constantin Tsaldaris

**INDIA:**

Governor General ..... Rajagopalachari  
Premier ..... Pandit J. Nehru

**IRAN:**

Premier ..... Ahmad Gavam

**ITALY:**

Premier ..... Alcide de Gasperi  
Foreign Minister ..... Carlo Sforza

**JAPAN:**

Premier ..... Yoshida

**MEXICO:**

President ..... Miguel Aleman

**NETHERLANDS:**

Premier ..... Dr. L. J. M. Beel  
Foreign Minister ..... Von Boetzelaer Van Oosterhout

**NEW ZEALAND:**

Premier and Foreign Minister ..... Peter Fraser

**NORWAY:**

Premier ..... Einar Herharsen  
Foreign Minister ..... Halvard Manthey Lange

**PAKISTAN:**

Governor General and Premier ..... M. Ali Jinnah

**PHILLIPPINES:**

President ..... Elpidio Quirino

**POLAND:**

President ..... Boleslaw Bierut  
Premier ..... Joseph Cyrankiewicz



**SAUDI ARABIA:**

King Ibn Saud

**SWEDEN:**

Premier: ..... Tage Erlander  
Foreign Minister ..... Osten Unden

**TURKEY:**

President ..... Ismet Inonu

**UNION OF SOUTH AFRICA:**

Premier and Foreign Minister ..... Francois Malan

**YUGOSLAVIA:**

Premier ..... Marshal Tito

## THE 58 MEMBER NATIONS OF THE U.N.

### The Big Five

United Kingdom; U.S.A.; U.S.S.R.; France; China.

Afghanistan	Iraq
Argentina	Lebanon
Australia	Liberia
Belgium	Luxembourg
Bolivia	Mexico
Brazil	Netherlands
Burma	New Zealand
Byelorussia S.S.R.	Nicaragua
Canada	Norway
Chile	Pakistan
Columbia	Panama
Costa Rica	Paraguay
Cuba	Peru
Czechoslovakia	Phillippines
Denmark	Poland
Dominican Republic	Saudi Arabia
Ecuador	Siam
Egypt	Sweden
El Salvador	Syria
Ethiopia	Turkey
Greece	Ukrainian S.S.R.
Guatamala	Union of South Africa
Haiti	Uruguay
Honduras	Venezuela
Iceland	Yemen
India	Yugoslavia
Iran	

## SOCIAL STUDIES 3—CURRENT HISTORY 1946-1948

### Introduction:

In accordance with the statement in the High School Regulations for 1948-49 concerning the extension of the Social Studies 3 course the following outline is provided to serve as a guide to the important historical and social events of the period from the mid-summer of 1946 to the midsummer of 1948 that should be included in the study of this period.

The purpose of this extension of the course is to eliminate the gap between the events of 1946 (at which point the latest editions of our reference books stop) and those of 1948, and to insure a continuity which is most important if the student is to follow intelligently the course of current events. Most students taking Social Studies 3 will have covered this period in their study of current events in Social Studies 1 and 2. Consequently, for them this work entails a review and a linking up of events of the past two years with the happenings of today. The necessity for this review has been recognized by many teachers of Social Studies 3, who have already established it as an essential preparation for, or a component part of the current events work in the classroom.

This extension may be regarded as a new unit and may be introduced as such either at the beginning of the year as a preface to the current events study or at the end of the course in its chronological position. On the other hand this extension may be viewed as a more clearly defined expansion of topics already listed under the four existing units in the Social Studies 3 course, in which case the following outline would be broken up and the various topics taken up in class at the appropriate points. For example, the topic Unit II, Section B,

1. (g) "Present Problems," may be replaced by—
  - I, 1(a) "The Labor Government and their policies of nationalization and social security."
  - (b) "Economic recovery program — peace-time industries, rationing, Canadian and American loans, export trade and dollar shortage," from the outline below.

### The Outline:

#### I. POST-WAR SITUATIONS AND EVENTS IN THE EUROPEAN AND ASIATIC COUNTRIES

(Period from midsummer 1946 to midsummer 1948)

##### 1. Great Britain:

- (a) The Labor Government and their policies of nationalization and social security.

- (b) Economic recovery program — peace-time industries, rationing, Canadian and American loans, export trade and dollar shortage.
- (c) Commonwealth and Empire relations—the new Dominions of India, Pakistan and Ceylon; the new Republic of Burma; the end of the Palestine mandate.
- (d) Foreign relations—the Western Union in Europe; joint occupation of Western Germany and Austria with France and the United States.

## 2. U.S.S.R.

Expanding influence in Eastern Europe—Communists in control of the governments of Poland, Bulgaria, Hungary, Rumania, Czechoslovakia, Albania, Yugoslavia. Close censorship of news from Russia and her satellites. Difficulties arising out of joint administration of Berlin.

## 3. France.

Recovery program—labor unrest, need of aid under the European Recovery Program, coalition government.

## 4. China.

Continued fighting between the Nationalist Government and the Communists. Serious economic effects of the civil war.

## 5. Peace Treaties following World War II

General terms of the peace treaties with the Axis satellites—Italy, Finland, Hungary, Rumania and Bulgaria. New boundaries resulting from these treaties.

# II. POST-WAR PROBLEMS OF THE WESTERN HEMISPHERE

## 1. Canada

- (a) Domestic affairs — Dominion-Provincial relations, labor problems, inflation, housing, social security measures, increase in freight rates, immigration.
- (b) Foreign relations—Canada's election to the UN Security Council, negotiations with Newfoundland, and Canadian-American co-operation in defence.

## 2. The United States

- (a) Domestic problems—labor unrest.
- (b) Foreign relations — European Recovery Program (Marshall Plan), Truman Doctrine to halt Communism, occupation of Japan, Korea, Germany and Austria.

### 3. Latin America

The Rio Pact for the defence of the Western Hemisphere

### III. THE UNITED NATIONS

- (1) Active economic and social agencies—UNESCO; FAO; WHO; ICAO; IRO; Atomic Energy Commission; ILO; World Bank
- (2) Negotiation of International disputes—Iran, Balkans, Indonesia and Palestine.
- (3) New members—Yemen, Pakistan, Burma (1947-8)
- (4) Obstacles to UN success—frequent use of the veto power, and the East-West split.

### References

*World Affairs, The Magazine for Students of Current Events*; Volumes 12 and 13, cover the period from September 1946 to June 1948. The indexes for Volumes 12 and 13 are in the October 1947 and the June 1948 issues respectively.  
*Classroom Bulletins on Social Studies*, Nos. 10, 11, 12, 13 and 14.

# TIME CHART OF 1947

	AUGUST	OCTOBER	DECEMBER
CANADA	Canada's 80th birthday.	U.S. dollar shortage a real problem.	Canada elected member of U.N. Security Council. Canada submits offer to Newfoundland.
COMMONWEALTH	New dominions of India and Pakistan born.  Jinnah elected President of Pakistan.	Self-government given to Malta.  Bill to curb power of House of Lords in British Parliament.	Burma a Republic.  Ceylon given dominion status.  Marriage of Princess Elizabeth to the Duke of Edinburgh.
UNITED STATES		Taft-Hartley Labour Act passed.	Close check on communist activities.
EUROPE	Guerilla warfare in Greece.	Polish premier escapes to London.	R. Schuman becomes premier of France. New Italian constitution approved. De Nicola first president.
NEAR AND FAR EAST	Fighting between Dutch and Indonesians.	Chinese civil war continues.	Mines nationalized in Japan. Dispute between Kashmir and Pakistan.
UNITED NATIONS	League of Nations liquidated. U. N. assumes League responsibilities. Yemen and Pakistan admitted to U. N.	U.N. recommends partition of Holy Land. Arabs refuse to accept the U.N. recommendations.	U.N. attempts to settle Balkan dispute. WHO fights cholera in Egypt.



# CURRENT HISTORY

1948

JANUARY	MARCH	MAY	JULY
Packinghouse strike ends.	Liberals returned in P.E.I. election.	Railways ask for increased freight rates. The subject of lively debate. B.C. floods.	National health insurance program announced. C.C.F. government returned in Saskatchewan. Union National government returned in Quebec.
omes Nationalization of British railways. End of de Valera's government in Eire.	Smuts defeated as South Africa's premier.	Newfoundland votes for confederation with Canada. British withdraw from Palestine.	New British National Insurance scheme.
U.S. government approves ERP. U.S. soldiers leave Italy.	U.S. recommends return of Trieste to Italy. U.S. and Great Britain merge zones in Germany.	U.S. recognizes State of Israel.	Dewey and Truman selected as presidential candidates.
King Michael of Rumania resigns. Communist coup in Czechoslovakia.	Western Union (economic) of Great Britain, France and Benelux countries formed. Russia attempts to squeeze allies out of Berlin	Italy elects new government. Communists defeated.	
Gandhi assassinated.	Roxas, president of Philippines dies.	General fighting between Jews and Arabs. Jews announce creation of Jewish state of Israel.	
UNESCO program started.	U.N. secures truce between Dutch and Indonesians.	Burma admitted to U.N.	U.N. negotiates truce in Palestine. Atomic Energy commission fails to reach agreement.

## AN OUTLINE FOR CURRENT EVENTS STUDY FOR 1947-48

Continuing with a practice begun last year in Classroom Bulletin No. 12, this first issue in the school year brings a suggested outline of significant current movements and problems around which important current events during the year will in all probability centre. Those who made use of the Bulletin outline last year either by following closely the items listed or by using it as a guide in making up their own outline may welcome further assistance this year. The comments on pages 6, 8 and 9 accompanying the outline in Bulletin No. 12 may be found helpful by teachers approaching social studies in the high school for the first time.

The outline which follows may be used as a guide in the selection of topics of importance in current events. It is recommended that teachers and students use this outline or make one to suit their own purposes, bearing in mind the objectives of the study of current history.

### National

- (1) Federal and Provincial Political Scene: Recent provincial election results; important political developments at Ottawa and the provincial capitals; significant dominion-provincial problems.
- (2) Cost of Living in Canada: The general trend of commodity prices; the effect of the rising cost of living on the demands of wage-earners; government policy.
- (3) Federal and Provincial Social Legislation: New Legislation and amendments to old legislation dealing with social and economic security.
- (4) Newfoundland: The results of the two referenda; steps taken to bring NFDL into the confederation; boundaries of the new province; capital and provincial government; special problems of the new province.
- (5) Labour Problems in Canada: New labour legislation; new labour demands; labour disputes and their settlement; labour supplies; unemployment.
- (6) Current Effects of Floods: Efforts to prevent them; the rehabilitation of flood victims.
- (7) Canada's Economic Problems and Developments: Export and import trade; special problem of the U.S. dollar shortage and attempted solution; freight rates question.

### International

- (1) Canadian Foreign Policy: Canada's part in world affairs; political and economic agreements with foreign powers; Canadian representatives abroad; immigration policy.

- (2) The United Nations: The efforts of the United Nations to maintain world peace and a better understanding between nations; the special tasks of such agencies as UNESCO, FAO, ICAO, WHO; new members; Atomic Energy Commission; the important decisions of the Security Council, and Canada's participation on the work of this council; the work of the General Assembly.
- (3) The British Commonwealth and Empire: The changing status of countries within the Empire; the effect of Commonwealth membership on Canada's foreign policy; the new dominions of India and Pakistan.
- (4) Palestine: Attempts to solve the problems of the Holy Land now that Great Britain has given up the mandate.
- (5) The Destiny of Germany, Austria, Korea, and Japan: The Soviet-U.S. differences in Korea; the rehabilitation of Germany and Japan; lack of agreement amongst the occupying powers on peace plans and the future of Germany.
- (6) The Presidential Election in the United States of America: The general policy of the president in domestic and foreign affairs.
- (7) The Achievements of the ERP.
- (8) China: Efforts to bring an end to the civil war.
- (9) The British Recovery Program: Labour government measures; recovery progress.
- (10) The Soviet Union: Relations with the western democracies; Soviet attempts to dominate Europe.
- (11) Important Scientific and Cultural Developments of Worldwide Note.

## CANADA'S COST-OF-LIVING INDEX

### Introduction:

None of us needs to be reminded these days that the cost of living is steadily rising. Chocolate bars and soft drinks, to cite two popular items, which sold for a nickel a few years ago, now cost eight or nine cents, and every other commodity is proportionally dearer today. The Canadian public, as they watch with mixed feelings the cost of living soar, trailed by rising wages, naturally wonder where it will all end. This state of affairs is responsible for the introduction into our daily conversation of the new term, cost-of-living index, a term which greets the eye in almost every newspaper today and one with which we should not only be familiar but should also clearly understand. The cost-of-living index figures are computed and issued by the Dominion Government Bureau of Statistics and the following explanation of how the figures are arrived at is taken from a bulletin published by the Bureau of Statistics.

### What the Index Measures

"A good deal of confusion can come from expecting too much of a cost of living index and by asking it to show things which it was never designed to show. The Canadian index measures the change in the cost of a fixed standard of living. The standard chosen was that of an average urban wage-earner's family in the years 1937 to 1938. It is true that living standards, particularly in that group, have changed materially since the index was made up, but tests have shown that even if a substantially higher standard of living were taken as a basis for the index the change in the cost of meeting that standard would vary little from the change of meeting the standard on which the index is based.

"The important point to remember is that the index measures changing **costs** of living and not changing **standards** of living. It is an index of price movements and not of changes in total family expenditures. This may be the cause of some of the misunderstanding, for Canadians as a whole have increased their standard of living during the past ten years and it is easy to confuse the greater cost of a higher living standard with an increase in the prices of the goods and services in a fixed family budget.

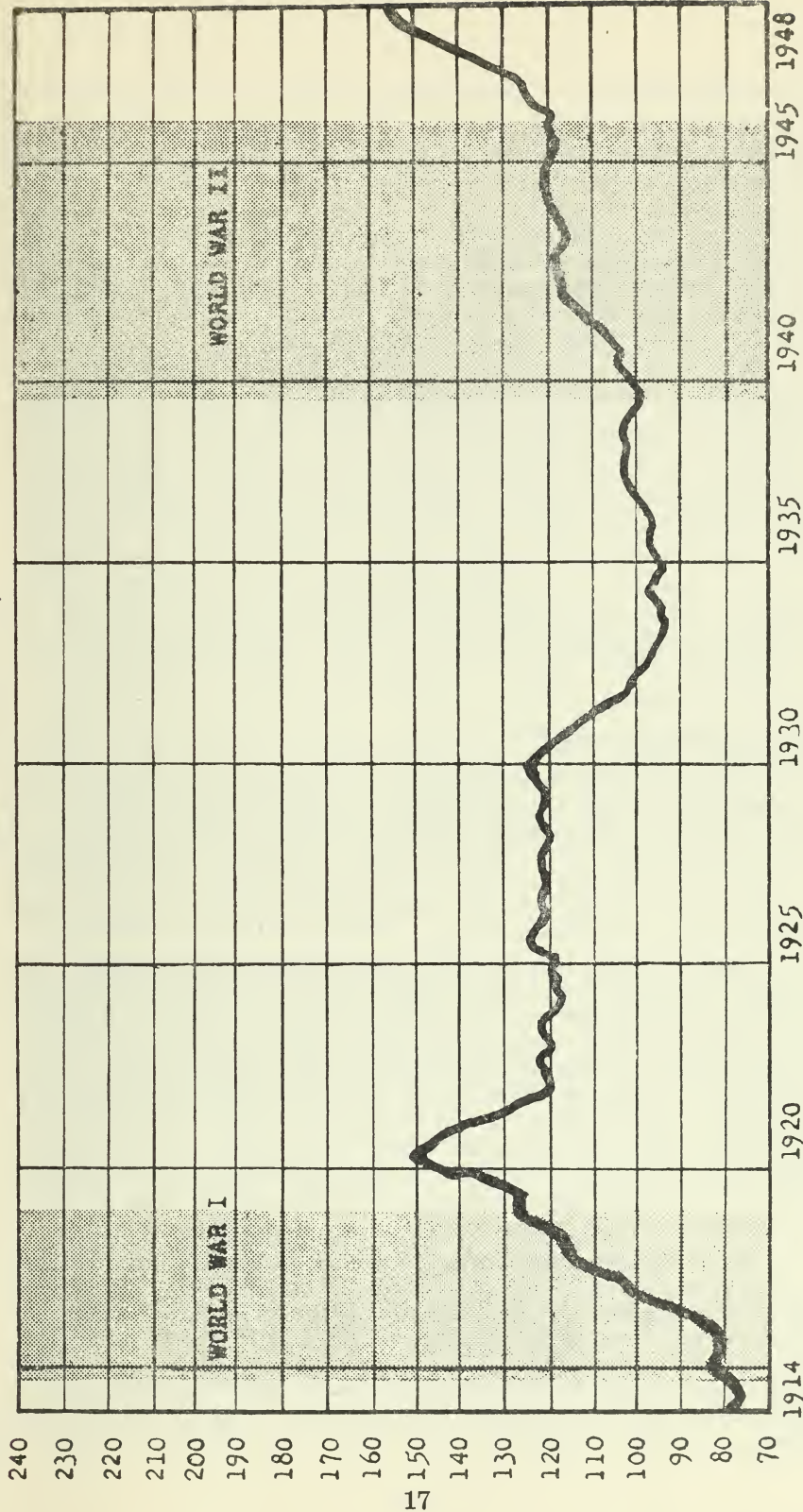
"Further, the index measures only average changes for cities and towns across the country. Certainly the cost of living for some families, has, due to their particular circumstances, risen more sharply than the index, but against this the cost for other families has risen less sharply. It is true, too, that living costs in some cities move differently from those in others but the indexes prepared by the Bureau for eight major Canadian cities show that the inter-city differences are relatively small.



# COST OF LIVING IN CANADA FROM JANUARY 1914 TO 1948

(Base 1935-39=100)

Index



(Labour Gazette)

## The Family Survey

"In setting out to revise the index in 1937 the Bureau considered that the best way to get a realistic measurement of the cost-of-living was to base it on the actual expenditures made during the year by an average Canadian wage-earning family. They therefore made a survey of some 45,000 homes in 12 cities across Canada and from this picked out 1,439 typical families with earnings between \$600 and \$2,500 a year. They then helped each of these families to prepare a careful record of their living expenses from October 1, 1937, until September 30, 1938.

"Each family consisted of husband and wife and from one to five children. They were all self-supporting, lived in a self-contained house or apartment, and did not share either their kitchen or their bathroom with any other family. The average family contained 4.6 people and had an income of \$1,453. Of this amount \$1,414 was spent on items which could be included in the cost-of-living, while the rest went to such things as gifts and donations to charities. Thirty-one per cent of the \$1,414 was spent on food, 19 per cent on housing, 6 per cent on fuel and light, 12 per cent on clothing, 9 per cent home furnishing and services, and 23 per cent on other items, including health, transportation, recreation and insurance.

### Collecting Food Prices

"The survey having been made, the Bureau knew what items to include and what importance or "weight" to give them. The next step was to get regular reports on prices of these items from the different parts of the country. Here problems arose. Theoretically one might expect to collect each month prices for every item included in the budget of the "cost-of-living family," but in practice this does not always work.

"Take the case of food. Many foods have wide seasonal price changes and as a result their consumption varies; more is eaten when the price is low and less when the price is high. Variations in consumption from season to season and from year to year are so great that it is extremely difficult to give these foods a correct weight in the budget. Then there is also the problem of getting comparable prices. Many of the fresh vegetables in particular are not always sold upon weight basis but by the bunch or single item, hence price changes may reflect quantity or size changes as well. To include these items could lessen rather than increase the accuracy of the index.

"It is therefore preferable to pick out those foods obtained on which a representative price can be obtained from month to month. The index now includes 47 food items which represent about 75 per cent of the total cost of foods in the basic budget. The other 25 per cent on which a price is not obtained are considered to have changed by the same amount as all foods and an appropriate allowance is made for them in the "weight" of the food group.



## Collecting Prices on Other Commodities

"This statistical practice of taking a relatively small sample of prices as indicative of the movements of a much larger group is well tested and widely used in all countries. It is employed to a greater or lesser extent in all groups in the cost-of-living index. To take another example, look at clothing. This group is complicated by many of the items being seasonal in character or difficult to compare from year to year because of style changes. A lady's hat may sell in season at \$8.95 and be cleared later at \$4.98 or less. The same is true of dresses, coats, and other items.

"To include such prices in the index would cause erratic movements which would not follow the basic changes in clothing prices, therefore the Bureau has selected a comparatively small list of 31 clothing items of fairly standard construction and having no pronounced seasonal movements. They represent in proper proportion all the important materials used in clothing and were chosen to give a representative record of the rise or fall in all clothing prices—including those for children's clothing, for which a full "weight" is allowed in the index.

"Another difficult problem, particularly applicable to clothing and home furnishings, is that of measuring changes in quality. A deterioration of quality represents a "hidden" price increase and an appreciation of quality a "hidden" price decrease, but many people seem to feel that the Bureau takes no cognizance of this. That is not the case. When asking for price reports the Bureau requests the correspondent to estimate the extent of any changes in quality compared with the article at the time of the previous quotation, and such quality changes are recorded as a price increase or decrease.

## Computing the Index Figures

"Prices are collected once a month for those items which fluctuate frequently, and at somewhat larger intervals for the more stable items. Food prices, for example, are collected monthly from 1,600 grocers and butchers representing both chain and independent stores in 64 towns and cities. Rents have been surveyed twice a year, during the May and October renting periods, by reports received from renting agencies in 61 different cities. Starting in March, however, a new quarterly survey replaced the semi-annual one and will be conducted by direct visits by Bureau representatives to a carefully selected sample of households across Canada.

"All in all, about 65,000 different prices come into the Bureau each month. Many of them are reported by industrial companies and tradesmen—whose co-operation is indispensable—but a large volume in the main centres is collected by the Bureau's own field representatives. When the prices are tabulated they are given their correct weighting and transformed into an index number which presents the changes in the cost-of-living in terms of percentage increases or decreases compared with the cost during the "base period." The base used for the Canadian cost-of-living index

is the average of the years 1935 to 1939—which is shown as 100. The index is computed as at the first business day of each month, and in spite of the volume of work involved in collecting, tabulating, and “processing” so large a number of prices, it is published on the fourth day of the following month.

“It has often been suggested that the cost-of-living should be published not as an index but as a dollar and cents figure. This is not done for two reasons. In the first place, it would then record changes for only those people in that specific income group, and those in a different group would have to translate the change into a percentage figure—in fact they would have to construct an index for themselves. Secondly, a dollar and cents quotation would suggest that the figure represents a minimum standard of living or satisfactory dietary standard, neither of which the cost-of-living index professes to do. It simply measures the changes in the cost of a wage-earner’s budget as it was in 1937-38.

## Comparisons

“This raises the question as to whether it is satisfactory to base a cost-of-living index on a ten-year-old pattern of expenditures. Average incomes have risen in the past decade, particularly in the wage-earning groups, and as the level of incomes changes so does the pattern of expenditure. A changing pattern of expenditure, however, does not necessarily greatly alter the rate of change of the cost of living. If incomes have risen, for example, additional expenditures on goods, such as meat, the prices of which have risen more rapidly might roughly be balanced by other additional expenditures on rent or some other item which has changed less than the average.

“In an attempt to test how much difference a change in the pattern of expenditures might be expected to make, the Bureau recently computed the cost-of-living index by reweighting the main groups according to four different systems. The first was based on the recently published U.S. “City Workers’ Family Budget” of \$3,000 per annum, the second on the 1946 patterns of consumer expenditure in Canada as derived from the National Accounts, the third on the 1938 consumer patterns as derived from the same source, and the fourth on a budget prepared by the Toronto Welfare Council.

“The following table shows the D.B.S. cost-of-living index for January, 1948, together with the index with the groups reweighted in the four ways:

D.B.S. cost-of-living .....	148.3
U.S. city workers’ family budget weights .....	150.3
1946 Canadian consumer expenditure pattern .....	146.6
1938 Canadian consumer expenditure pattern .....	144.5
Toronto Welfare Council weights .....	151.0

“These experiments show what is quite obvious, that a change in the pattern of expenditures may have some effect on the rate

of change in the cost-of-living index, but they also show that the change will be relatively small and may be in either direction.

"Remember, too, that the index aims only to represent the average, and the cost of living of certain individuals may move differently to the average. For example a family which in the last year or so has had to move from a house on which the rent was fixed at the 1939 level into a new house with a much higher rent will have experienced a substantially greater increase in the cost of living than the index shows. On the other hand, a family still living in a house with 1939 rent, or with only the 10 per cent increase on that rent which was authorized last year, will be below the average rental increase of 19.9 per cent shown in the index. It would be impossible for an index to embrace individual circumstances such as these.

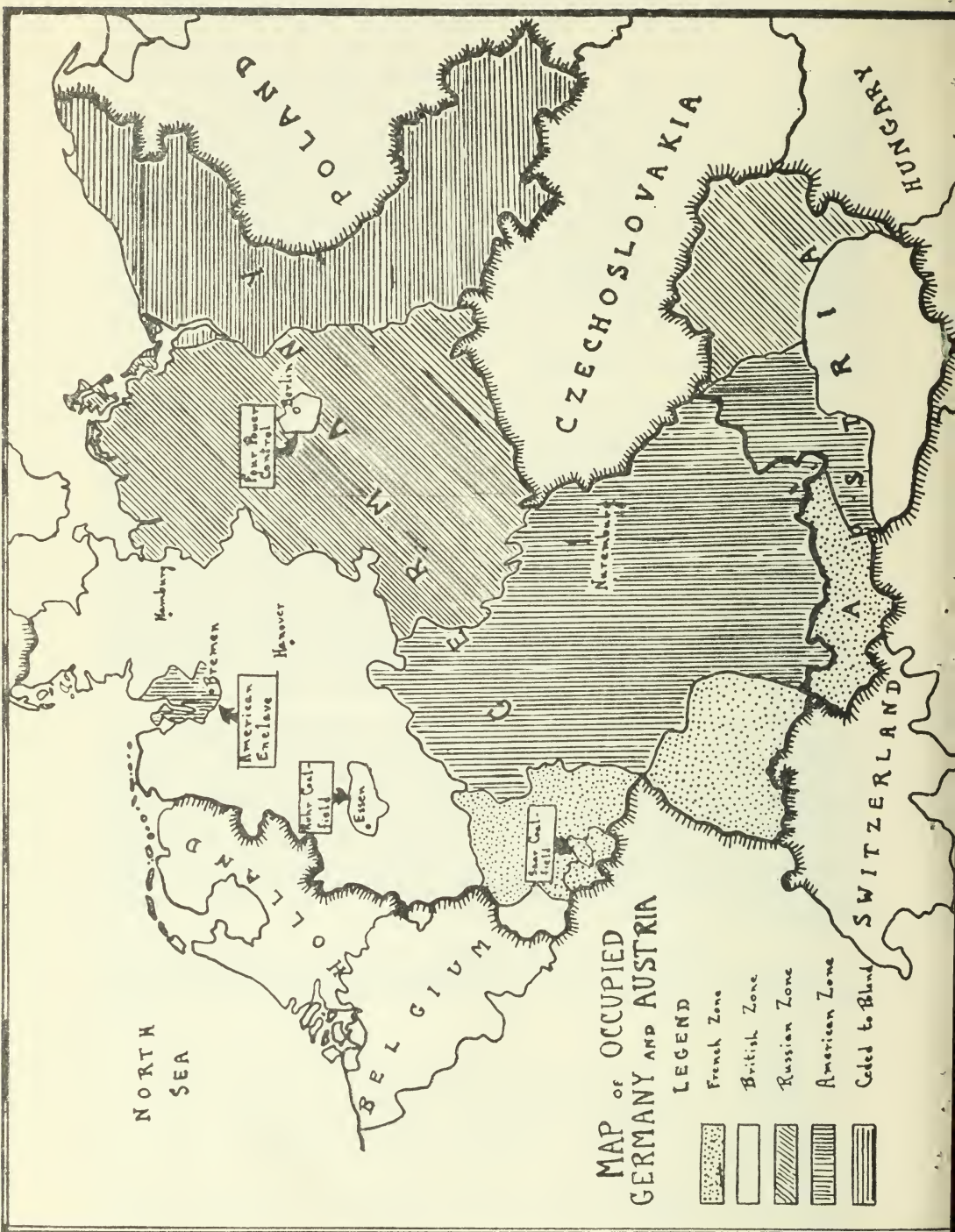
### **Keeping the Index Up-to-Date**

"Just because an examination of the present index shows it as a good representation of average changes in Canadian urban living costs does not mean that the Bureau is resting on its oars. In the first place, minor changes in the weighting or in the list of items included are made from time to time as circumstances warrant. Three such changes were made in 1947. The allowances for sugar, which had been reduced when rationing was imposed, was raised from 3.5 to 4.8 pounds per week after the removal of rationing; the ratio of houses to apartments in the rent index was changed to bring it into line with present conditions as indicated in sample surveys of tenants conducted last May and October; and radios, refrigerators, and washing machines were added when improved supply made it possible to buy them readily.

"Secondly, the Bureau is planning a budgetary survey this summer with a view to establishing a new basis for the index on present patterns of expenditure and standards of living. There is every indication that a new basic budget will produce little significant change in the trends shown by the present index, but it is standard practice to resurvey a cost-of-living once every ten years or so because the cumulative effect of short term changes might otherwise lead to significant changes over a much longer period."

(A FACT A DAY ABOUT CANADA, Number 3, 1948)  
(Dominion Bureau of Statistics)







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